

Senate File 479 - Introduced

SENATE FILE _____
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SF 214)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to property tax exemption eligibility for methane
2 gas conversion property and including an effective date and
3 applicability date provision.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 2108SV 83
6 rn/sc:mg/14

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1 1 Section 1. Section 427.1, subsection 29, paragraph a, Code
1 2 2009, is amended to read as follows:
1 3 a. For purposes of this subsection, "methane gas
1 4 conversion property" means personal property, real property,
1 5 and improvements to real property, and machinery, equipment,
1 6 and computers assessed as real property pursuant to section
1 7 427A.1, subsection 1, paragraphs "e" and "j", used in an
1 8 operation ~~connected with, or in conjunction with, a publicly~~
~~1 9 owned sanitary landfill~~ to collect methane gas or other gases
1 10 produced as a by-product of waste decomposition and to convert
1 11 the gas to energy, or to collect waste ~~that would otherwise be~~
~~1 12 collected by, or deposited with, a publicly owned sanitary~~
~~1 13 landfill~~ in order to decompose the waste to produce methane
1 14 gas or other gases and to convert the gas to energy. However,
1 15 property used to decompose the waste and convert the waste to
1 16 gas is not eligible for this exemption.
1 17 Sec. 2. Section 437A.6, subsection 1, paragraph d, Code
1 18 2009, is amended to read as follows:
1 19 d. Methane gas conversion property subject to section
1 20 427.1, subsection 29, to the extent the property is used in
1 21 connection with, or in conjunction with, a publicly owned
1 22 sanitary landfill or used to collect waste that would
1 23 otherwise be collected by, or deposited with, a publicly owned
1 24 sanitary landfill.
1 25 Sec. 3. IMPLEMENTATION. Section 25B.7 does not apply to
1 26 the property tax exemption amended in this Act.
1 27 Sec. 4. EFFECTIVE AND APPLICABILITY DATES.
1 28 1. This Act takes effect January 1, 2010.
1 29 2. The section of this Act amending section 427.1,
1 30 subsection 29, applies to assessment years beginning on or
1 31 after January 1, 2010.
1 32 EXPLANATION
1 33 This bill expands property tax exemption eligibility for
1 34 methane gas conversion property. Current law provides for an
1 35 exemption applicable to specified methane gas conversion
2 1 property that is used in an operation in connection with a
2 2 publicly owned sanitary landfill to collect methane gas or an
2 3 operation to collect waste for conversion to methane gas if
2 4 such waste would otherwise be collected by or deposited with a
2 5 publicly owned sanitary landfill. The bill deletes the
2 6 restriction that the methane gas conversion property must be
2 7 used in connection with, or in lieu of collection by and
2 8 deposit with, a publicly owned sanitary landfill. The bill
2 9 adds the restriction with reference to a current exemption
2 10 from the replacement tax imposed on electric generation
2 11 pursuant to Code section 437A.6, which has previously
2 12 referenced the definition of methane gas conversion property
2 13 which the bill modifies and expands.
2 14 Code section 25B.7 does not apply to the expanded property
2 15 tax exemption. That Code section requires state funding to

2 16 implement a property tax exemption.
2 17 The bill takes effect January 1, 2010, and the expanded
2 18 property tax exemption applies to assessment years beginning
2 19 on or after that date.
2 20 LSB 2108SV 83
2 21 rn/sc:mg/14